



City of San Marcos

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NEWS

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For Immediate Release

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City Council Reviews Proposed Budget

Interim City Manager Laurie Moyer presented a proposed budget totaling \$145.3 million for Fiscal Year 2011, or \$829,000 less than the FY 2010 annual budget, at a City Council workshop Thursday night.

The 2011 budget maintains service and staff levels, with increases in some areas to meet City Council goals.

The proposed budget includes \$41.1 million in the General Fund (up 2.95%), \$28.6 million in the Water/ Wastewater Utility (up 6%), and \$52.3 million in the Electric Utility (down 7%). Reduced cost of purchased power from the Lower Colorado River Authority accounts for the reduction in the Electric Utility.

The proposed property tax rate remains the same at \$0.5302, the same rate for the third year in a row. The average home decreased in value from \$119,462 in 2009 to \$118,402 in 2010. That means the average homeowner will pay \$5.62 less in property taxes. (\$627.77 in 2011 compared to \$633.39 in 2010)

Further discussion on utility rates, drainage channel maintenance fees, and cemetery lot costs to sustain services are anticipated during the budget consideration.

Following detailed discussion Thursday night, staff will bring back a compensation plan aimed at adjusting non-civil service employee salaries with a small across the board increase and a merit program. 76% of non-civil service workers are below market salaries, including 49% who are close to the minimum range.

The General Fund budget being considered includes year two of a compensation package for the police and fire civil service negotiated last year.

Other highlights of the proposed budget include:

- Continuing investments in economic development and small business retention
- Marketing programs for tourism, branding and conventions
- Full year staffing for Downtown Fire Station

- Municipal parks improvements
- Capital Projects investments, including roads, bicycle and pedestrian facilities
- City/ County partnership on downtown facilities
- Energy efficiency and water conservation program
- Expansion of household hazardous waste program
- Collaboration with Hays County, San Marcos CISD, Texas State University, CAMPO, CAPCOG, L-Star Rail, Austin-San Antonio Corridor Council, and other entities.
- Investments in the Hays Caldwell Public Utility Agency for future water resources

“We heard clear Council direction to review our expenditures closely and cut where we can to continue us on a strong financial path,” Moyer said.

The City Council will hold its next budget workshop on Thursday, August 12 at 6 p.m. to continue discussions and review funding for outside agencies. A public hearing and first reading on the budget is scheduled for September 7, with final reading and adoption on September 21. The 2011 budget takes effect on October 1, 2010 through September 30, 2011.

The budget is being developed under the direction of Interim City Manager Laurie Moyer, Assistant City Manager Collette Jamison, Finance Director Steve Parker, Assistant Finance Director Heather Hurlbert and staff.

The budget and Thursday’s presentation are posted online at www.sanmarcostx.gov.

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